

the Fund up to a stated amount, without further examination of its economic position.

In December 1954, the Fund's schedule of charges on purchases of exchange was reviewed and it was decided that the charges should continue without change until the next review.

Article XIV Consultations

Since 1952, the Fund has consulted annually with members continuing to maintain restrictions under the the postwar transitional arrangements provided for in Article XIV of the Agreement. These consultations are held to ascertain whether the balance of payments position and prospects of these countries is such as to justify the continued maintenance of exchange restrictions. At June 30, 1955, 45 member countries still maintained exchange restrictions under Article XIV. The consultations during the period under review indicated that further progress had been made by many countries in reducing restrictions and discrimination in their payments arrangements. In respect of a number of countries, the Fund, during its consultations, concluded that the position was such that a further relaxation of exchange restrictions would be feasible. In other cases, the Fund urged the reduction of multiple currency practices and discriminatory currency arrangements.

Other Developments

During the year, changes in par value were made with the agreement of the Fund by Nicaragua and Paraguay. In addition to changes effected during Article XIV consultations, Belgium-Luxembourg, Brazil, Chile, China (Taiwan), Colombia, Greece, Iran, Thailand and Yugoslavia consulted the Fund during the period about various modifications in their exchange systems. The Fund was also consulted about changes in the production subsidies which the Governments of Australia, Canada, and Colombia, pay to their gold producers.

In October 1954, the Fund's Executive Board determined that France, which on January 25, 1948, had been declared ineligible to use the Fund's resources, was again eligible to draw on the Fund.